2020 Lake County Affordable Housing Grant Application Workshop

November 15, 2019









Lake County Team Members

Jodi Gingiss, Community Development Administrator
Dominic Strezo, Environmental Project Coordinator
Irene Marsh-Elmer, Housing Grant Administration Specialist
Eric Tellez, Community Development Planner
Laura Walley, Executive Secretary

Consortium Members



City of Waukegan

Laraesa Garland, Director of CDBG Department Pam Jeffries, Rehabilitation Coordinator



City of North Chicago

Victor Barerra, Economic & Community Development Director

Nimrod Warda, Senior Planner

Consolidated Plan

Program Year 2020 (PY2020)

- Start of new five-year planning cycle
- Lake County Priority needs
 - 1. End Homelessness
 - 2. Inclusive Growth
 - 3. Housing Accessibility
 - 4. Borderless Transit
- Lake County Identified Goals
 - 1. Improve Homeless Crisis Response System
 - 2. Assist Persons with Special Needs
 - 3. Maximize Affordable Housing
 - 4. Prioritize Pathways for Upward Economic Mobility



Five-year call for projects

- Driven by a desire to make progress on the larger solutions and build capacity
- Funding is not guaranteed; awarded as projects are ready to incur expense
- Consultant to assist with funding, modeling, site selection and development, PR to address NIMBY
- Responses due January 10th
- Regular annual applications due December 16th



Funding Sources

Entity	Funding Source	Estimated Amt. Available*		
	Lake County	\$936,222		
Home Ownership Made Easy (HOME)	Waukegan	\$264,236		
- a a y (North Chicago	\$158,542		
Community Development Block Grant (CDBG)	Lake County	TBD		
Lake County Affordable Housing Program (AHP)	Lake County	\$270,000		

^{*}Based on 2019 awards



Use of Funds

- Must meet HUD Definition of "Housing": single-family housing, permanent housing for disabled homeless, transitional housing, single-room occupancy, and group homes.
- Housing does not include: emergency shelters or facilities
- Beneficiary household must be income eligible
- HOME & CDBG: 80% AMI
- LC Affordable Housing Program: 100% AMI

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80% AMI	\$49,950	\$57,050	\$64,200	\$71,300	\$77,050	\$82,750	\$88,450	\$94,150
100% AMI	\$62,400	\$71,300	\$80,200	\$89,100	\$96,300	\$103,400	\$110,500	\$117,700

Eligible Activities

Homeowner and Rental

- Acquisition
- Rehab
- Site Preparation
 - Infrastructure
 - Remediation
- Demolition and Reconstruction
- New Construction (not CDBG)



Affirmatively Further Fair Housing



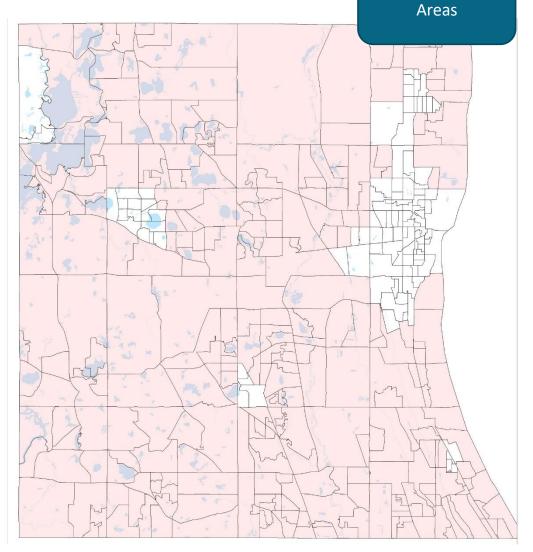
The Opportunity Atlas

Collaboration between the Census Bureau, Harvard University, Brown University

Used direct outcome data on 20 million Americans born between 1978 and 1983

- Census
- Federal income tax returns
- American Community Survey

Estimates outcomes (income, incarceration rate) based on where an individual **grew up** (census tracts) incorporating factors such as their parents' income, the child's race, and the child's gender



High Outcome

2020 Lake County Affordable Housing Grant Application

Timeline

Lake County

12/16/19 – Applications due

2/14/20 – Affordable Housing Advisory and Recommendation Committee (ARC)

3/18/20 – Public Hearing #1 Housing and Community Development Commission (HCDC)

4/15/20 - Public Hearing #2 HCDC

Anticipated Lake County Board Approval - June 2020



2020 Application Overview

Due December 16, 2019 @ 4:00 500 W. Winchester Rd. Libertyville, IL 60048

- <u>NO</u> Letter of Intent (LOI) is required
- Read the instructions and use:
 - Application Form
 - Attachments
- Scoring criteria included in guidelines
- Production Workbook: rental or homebuyer
- Submission
 - 1 original and 2 copies
 - 1 electronic



Attachment	Non-CHDO Project applicants	CHDO Project applicants
Affordable Housing Application Form	Х	X
Attachment 1: Application Authority and Submission Certification	Х	X
Attachment 2: Conflict of Interest Certification (EITHER No Conflict OR Potential Conflict)	X	X
Attachment 3: Board of Directors Questionnaire and Roster	X	X
Attachment 4: Certified Audit	Х	X
Attachment 5: Project Information: Narrative Responses to project questions 1-21	Х	X
Attachment 6: Housing Production Application Workbook (EITHER rental OR homebuyer)	X	X
Attachment 7: CHDO Tier 2 Set-Aside Requirements Application Form and supporting documentation		X
Appendices (including all additional attachments)	X	X

2020 Lake County Affordable Housing Grant Application

LakeCounty About Us Services Grants



Applicants

Current Grantees

Fair Housing

Grantee Information & Training

Neighborhood Stabilization Program (NSP) Home > Departments/Offices > Planning, Building & Development > Services > Community Development > Programs > Applicants

Applicants

Housing Application Forms

- Attachment 1 Application Authority Certification (fillable)
- Attachment 2 Conflict of Interest Certification (fillable)
- Attachment 3 Board Questionnaire and Roster (.doc)
- Attachment 5 Narrative Questions (.doc)
- Attachment 7 CHDO Tier 2 Application Form (fillable)
- Entity Declaration Samples (fillable)
- PY2020 Affordable Housing Application Form (fillable)
- PY2020 Affordable Housing Application Instructions (.pdf)
- PY2020 Affordable Housing Project Guidelines (.pdf)

CHDO Application Forms

- · Attachment 3 CHDO Board Member Forms (fillable)
- CHDO Certification Application Form and Tier 1 Checklist (fillable)
- PY2020 CHDO Certification Application Instructions (.pdf)

Human Services Application Forms

- PY2020 Human Services Application (fillable)
- PY2020 Human Services Application Instructions (.pdf)

Public Improvements Application Form

PY2020 Public Improvements Application (fillable)

https://www.lakecountyil.gov/1907/Applicants



Project Financials

- 25% HOME Match a permanent contribution
- Paid on a Reimbursement Basis
- 10% Construction Retainer + 5% Beneficiary Retainer



Project Financials - Workbook

- MUST complete the Application Production Workbook
- Limits
 - Subsidy Limits
 - After Rehab Value & Sales Price Limits
 - Rent Limits
 - Utility Allowance HUD Utility Schedule Model (https://www.huduser.gov/portal/datasets/husm/uam.html)
- Include cost of environmental review and
- Include cost of construction inspections by Lake County



Federal Requirements

- Environmental Review
- Lead-Based Paint
- 2 CFR Part 200
- No Lobbying
- Audit
- Records Access
- MBE/WBE
- Conflict of Interest
- Drug Free Workplace

- Relocation
- Contract Work Hours & Safety
 Standards Act
- Copeland "Anti-Kickback" Act
- Fair Housing & Equal Opportunity
- Record Retention 5 Years after Period of Affordability
- Affirmative Marketing
- Tenant Selection Plan (rental)
- VAWA Policy & Plan (rental)



Additional Requirements

- Security Instruments
 - LURA → Mortgage
- Illinois Prevailing Wage: all projects
- Lake County Property Standards
- Lake County Inspections 3
- Davis-Bacon: HOME 12 units; CDBG 8 units
- Section 3
- Lead-Based Paint Testing



Project Timeline

- No Choice Limiting Action Until Environmental Review Completion: 30 Day <u>minimum</u>
- Must Initiate Project Within 6 Months
- Must Complete Project Within 18 Months
- Project In-Use:
- Rental: Lease-up within 6 Months; 18 Month Ineligibility Trigger
- Homebuyer: Sold within 9 Months, or a Rental Conversion
- Lease-Purchase: Execute agreement within 6 months; sold within 36-months of agreement signing, or a Rental Conversion

Notice(s) to Proceed

Separate Notice to Proceed (NTP) for acquisition and development

Acquisition

- Developer Responsibility
 - Address
 - Pro forma
 - Proof of funds
 - Market Study
 - Appraisal
 - Lead Based Paint Inspection
- Lake County Responsibility
 - Environmental Review
 - Underwriting
 - Update Contract

<u>Development</u>

- Developer Responsibility
 - Updated budget
 - Scope of work
 - Timeline
 - Bids
 - Wage Determination
- Lake County Responsibility
 - Re-Underwriting
 - Initial inspection
 - Plan review
 - Wage review



Reporting Requirements

Prior to Activity Completion

- Construction Inspections
- Project Completion Form
- Initial Beneficiary Information

After Activity Completion

- Homebuyer: Long-term Principal Residency Requirement
- Repayment required if sold during period of affordability
- Rental:
 - Annual Property Standard Certification
 - Financial Report
 - Annual Income Certification and Rental Compliance Log



Rental Housing & Group Home Requirements

- Beneficiary Income Limits & Income Targeting
- Affirmative marketing plan
- Lease Requirements
- Proscribed Rent Levels
- Rent Amounts Must be Approved Annually

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6BR
Low HOME	\$780	\$835	\$1,002	\$1,158	\$1,292	\$1,426	\$1,559
High HOME	\$915	\$1,044	\$1,212	\$1,472	\$1,623	\$1,771	\$1,921

- Annual Income Certification & Rental Compliance Log
- Inspections and Property Standards Certification
- On-site monitoring



Long-Term Rental Compliance

5, 10, 15, or 20 years How Long? Depends on Funds/Unit **Begins at Project Completion** Within 12 months of Project Completion Inspections Once every 3 years **On-Site Monitoring** Every 1, 2 or 3 years **Annual Reports** Every year

CHDOs

What is a CHDO?

Statutory Requirements

Operating Grant

- Up to 5% of HOME Program Funding
- 12 months to spend
- Receive CHDO Reserve Funds within 24 months

New CHDOs: Separate Application

Existing CHDOs: Annual re-certification



Contact Information



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